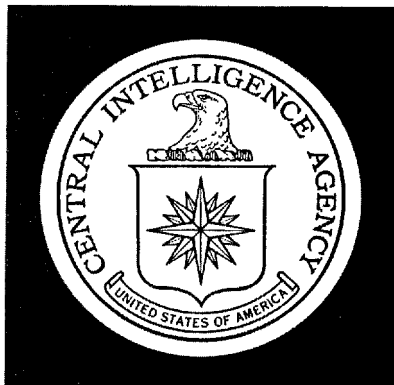


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DIRECTORATE OF
INTELLIGENCE

Intelligence Memorandum

Shipping to Cambodia in the Third Quarter of 1968

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ER IM 68-158
December 1968

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Foreword

This memorandum analyzes the pattern of foreign shipping to Cambodian ports to help in determining whether arms or military-related goods are reaching the Viet Cong through Cambodia. It updates CIA/ER IM 68-109, *Shipping to Cambodia in the Second Quarter of 1968*, August 1968, SECRET/NO FOREIGN DISSEM, and is the fifth report written on a quarterly basis.

The time lag between the end of each quarter and the date of publications in this series is the result of delays in the receipt of the *Bulletin of the Mixed Chamber of Commerce and Agriculture of Cambodia*, an important source of data on ship arrivals and cargo deliveries.

The data in this memorandum are preliminary and may be modified as additional information becomes available. For the purposes of this memorandum, Yugoslavia is considered to be a country of the Free World. Cargo weights are expressed in metric tons. The term *imports*, as used in this memorandum, refers only to imports by sea. Because of rounding, components may not add to the totals shown.

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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
December 1968

INTELLIGENCE MEMORANDUM

Shipping to Cambodia in the Third Quarter of 1968

Summary

There were at least two deliveries of military cargo to Cambodia in the third quarter of 1968. A Soviet ship arrived at Sihanoukville on 31 July with 900 tons of military aid materiel from the Soviet Union, and in September a French ship unloaded tanks and 34 tons of military equipment from Western Europe. A possible military shipment, reportedly 2,000 tons, arrived aboard a Chinese ship in August.

Total shipping activity dropped from the very high level of the second quarter. Ship calls declined from 192 in the second quarter to 139 in the third quarter, and imports dropped from a record 227,800 tons to 134,600 tons, apparently for seasonal reasons. In the third quarter, for the first time in 1968, imports at Phnom Penh exceeded those at Sihanoukville -- by 24,200 tons. Free World ships made 48 fewer calls and discharged less cargo than in the previous quarter. Communist ships, which visit only Sihanoukville, also made fewer calls but unloaded more cargo than in the second quarter. More than 90 percent, or 126,900 tons, of imports came from Free World countries; the remaining 7,700 tons, more than one-half of it unidentified, came from Communist China and the Soviet Union.

Note: This memorandum was produced solely by CIA. It was prepared by the Office of Economic Research and information on ship arrivals was coordinated with the Naval Intelligence Command.

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Ship Arrivals and Imports by Sea

1. Ship calls at Cambodian ports dropped sharply from 192 in the second quarter of 1968 to 139 in the third quarter. Most of the decline was in Free World ships, which made 48 fewer calls. Fifty-seven percent of total calls were at Phnom Penh and 43 percent were at Sihanoukville. Imports through Cambodian ports decreased from the record high of 227,800 tons in the second quarter to 134,600 tons in the third. This drop appears to be largely seasonal as imports have fallen to about 130,000 tons in the third quarter for three consecutive years. Imports of cement, petroleum, and coal all declined.

Shipping to Sihanoukville

Ship Traffic

2. Ship calls at Sihanoukville decreased from 101 in the second quarter to 60 in the third quarter. Free World ships -- mostly French, Panamanian, Greek, Japanese, and Liberian -- made 54 of the 60 calls (see Tables 1 and 2). Eight of these calls were by ships under charter to Communist China. There were six calls by Communist ships: three Chinese, two Soviet, and one Polish. Two Communist ships -- one Soviet and one Chinese -- arrived in ballast to load lumber and rice for North Vietnam and China. The other Chinese ships discharged foodstuffs, unidentified cargo, and a possible consignment of ammunition. The second Soviet ship delivered military cargo, and the Polish cargo liner unloaded cement.

Imports

3. Seaborne imports to Sihanoukville fell from 128,500 tons in the second quarter to 55,200 tons in the third quarter, the lowest level of imports since the third quarter of 1967. The absence of asphalt, coal, and petroleum imports accounted for most of the decrease. The petroleum deliveries in the first two quarters were mostly diversions occasioned by closure of the Mekong River. Crude oil imports to Sihanoukville are anticipated in the fourth quarter after the new refinery near the port is opened.

4. The composition of imports to Sihanoukville during the first three quarters of 1968 and the

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third quarter of 1967 is shown in the following tabulation:

	Thousand Metric Tons			
	1968		1967	
	1st Qtr	2nd Qtr	3rd Qtr	3rd Qtr
Military	0.3	Negl.	0.9	--
Cement	48.1	32.1	15.9	20.2
Chemicals and explosives	1.1	3.5	0.7	1.4
Foodstuffs	5.4	7.5	6.2	2.6
Metal products	10.4	2.4	10.2	0.5
Jute	4.3	--	--	--
Coal	13.2	14.0	--	--
Asphalt and pyrites	--	3.4	--	--
Other general cargoes	3.7	8.0	9.1	4.4
Unidentified	31.5	39.9	12.2 a/	11.0
Petroleum	38.3	17.6	--	--
<i>Total</i>	<i>156.4</i>	<i>128.5</i>	<i>55.2</i>	<i>40.1</i>

a. Includes possible military cargo delivered by the Fo-Shan and an unknown tonnage of tanks delivered by the Nausica.

5. Only 7,700 tons of cargo -- 14 percent of total imports to Sihanoukville -- arrived directly from Communist ports during the third quarter, compared with 28,000 tons in the first quarter and 32,400 tons in the second. The largest portion, 6,800 tons, came from Communist China, and the remaining 900 tons came from the USSR. Imports from China included medicines, foodstuffs, chemicals, and metal products; imports from the USSR consisted almost entirely of military cargo. Sixty tons of additional cargo of Soviet origin -- mostly chemicals, metals, and general cargoes -- were delivered to Sihanoukville after transshipment at Singapore.

6. Imports from Free World countries dropped from 96,100 tons in the second quarter to 47,500 tons in the third quarter, less than one-half the average for the first two quarters in 1968. Approximately 80 percent (37,000 tons) of these cargoes were

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loaded in Asian countries, and the remainder (10,500 tons) came from Western European countries (see Table 3). Deliveries from the Free World included foodstuffs, chemicals, and cement from Singapore, India, Western Europe, and Thailand; and metals and other general cargo from Japan, India, South Vietnam, Western Europe, and Singapore.

Military and Military-Related Cargoes

7. At least two military shipments -- one from the USSR and the other from Western Europe -- arrived in Sihanoukville during the third quarter. The Soviet ship *Svoboda* arrived on 31 July and unloaded 900 tons of military equipment, the initial installment under the new agreement signed with the USSR in February 1968.* The cargo, variously reported to include MIG aircraft, armored personnel carriers, artillery, and ammunition, was transported to the Pochentang military airbase at Phnom Penh and to the Longvek supply depot. In September, the French ship *Nausica* delivered civilian goods, an unknown quantity of tanks, and 34 tons of tank tracks from Western Europe. The Chinese ship *Fo Shan* reportedly delivered 2,000 tons of military cargo from China in August. Although it is possible that some ammunition or small arms were discharged, the evidence is tenuous and the actual amount is unlikely to have approached 2,000 tons. Small quantities of military-related goods -- medicines and dry cell batteries -- were delivered to Sihanoukville in the third quarter.

Unidentified Cargoes

8. Seventy percent of the 12,200 tons of unidentified cargoes discharged at Sihanoukville came from Communist China (4,460 tons) and other Asian countries (4,080 tons). The remainder was loaded at Western European ports (3,370 tons) and Yugoslavia (250 tons). Some of the commodities -- mostly metals and automotive parts -- have been identified, but their quantities are not known.

* The second delivery under this new aid agreement arrived on the Soviet ship *Partizanskaya Slava* on 11 October. The shipment consisted of 217 cases (12 tons) of unidentified military equipment.

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Shipping to Phnom PenhShip Traffic

9. Ship calls at Phnom Penh declined from 91 in the second quarter to 79 in the third quarter. Forty-nine calls were made by tankers and 30 calls by dry cargo ships. Ships of six Free World countries called during the quarter, but Panamanian and Japanese ships predominated, accounting for almost two-thirds of the arrivals (see Table 2).

Imports

10. Imports to Phnom Penh dropped in the third quarter to 79,400 tons but were well above first quarter levels (see Table 1). As shown in the following tabulation, imports of petroleum accounted for most of the decline in total imports:

	Thousand Metric Tons			
	1968			1967
	1st Qtr	2nd Qtr	3rd Qtr	3rd Qtr
Petroleum	26.5	73.4	56.4	59.4
Metal products	4.3	3.9	1.1	5.3
Foodstuffs	--	Negl.	2.3	0.4
Asphalt and pyrites	2.6	--	0.6	--
Chemicals and explosives	Negl.	1.0	0.4	1.3
Cement	6.3	0.3	5.5	4.8
Other general cargo	0.9	3.0	1.6	2.2
Unidentified	5.7	17.7•	11.3	17.1
Asbestos	--	--	0.1	--
<i>Total</i>	<i>46.4</i>	<i>99.3</i>	<i>79.4</i>	<i>90.4</i>

11. Deliveries of petroleum, which made up 71 percent of total imports to Phnom Penh, fell from the abnormally high level of 73,400 tons in the second quarter to 56,400 tons in the third quarter. Japanese, French, Cambodian, and Panamanian tankers delivered most of the petroleum from Shell storage facilities near Saigon and from the Esso storage facility on the Indonesian island of Bintan. Dry cargo ships delivered more than 2,000 tons of petroleum in drums.

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12. Imports of dry cargoes through Phnom Penh (23,000 tons) were slightly below those in the second quarter of 1968 (25,900 tons). All of them were carried by Panamanian, Singapore, Japanese, and Somali ships. More than two-thirds (16,200 tons) of these cargoes came from Singapore and Japan; the remainder (6,800 tons) came from Hong Kong.

13. Fourteen percent (11,300 tons) of the cargo discharged at Phnom Penh was unidentified. All of it came from Southeast Asia.

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Table 1

Cambodia: Merchant Ship Arrivals and Cargo
Discharged, by Port a/
First, Second, and Third Quarter 1968

	Ship Arrivals		
	First Quarter	Second Quarter	Third Quarter
Sihanoukville	112	101	60
Phnom Penh	37	91	79
<i>Total</i>	<i>149</i>	<i>192</i>	<i>139</i>

	Cargo Discharged (Thousand Metric Tons)		
Sihanoukville	156.4	128.5	55.2
Phnom Penh <u>b/</u>	46.4	99.3	79.4
<i>Total</i>	<i>202.7</i>	<i>227.8</i>	<i>134.6</i>

a. Including only arrivals of seagoing ships from foreign ports; excluding arrivals from Cambodian ports.
b. Including a small volume of cargo in transit for Laos and petroleum deliveries upriver to the Cambodian ports of Kompong Cham and Tonle Bet.

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Table 2

Cambodia: Merchant Ship Arrivals and Cargo Discharged at Sihanoukville and Phnom Penh, by Flag a/
Third Quarter of 1968

Flag	Arrivals			Cargo Discharged (Metric Tons)		
	Sihanouk- ville	Phnom Penh	Total	Sihanouk- ville	Phnom Penh b/	Total
Communist	<u>6</u>		<u>6</u>	<u>4,730</u>		<u>4,730</u>
Communist China	3		3	3,750		3,750
Poland	1		1	80		80
USSR	2		2	900		900
Free World	<u>54</u>	<u>79</u>	<u>133</u>	<u>50,490</u>	<u>79,390</u>	<u>129,880</u>
Cambodia		7	7		4,160	4,160
Denmark	1		1			
France	21	12	33	11,010	17,880	28,890
Greece	6		6	2,560		2,560
Japan	5	22	27	4,330	26,710	31,040
Liberia	4		4	4,500		4,500
Norway	2		2	1,420		1,420
Panama	7	27	34	24,300	25,550	49,850
Singapore	1	6	7	240	2,760	3,000
Somalia	2	5	7	1,870	2,340	4,210
United Kingdom	3		3			
Yugoslavia	2		2	260		260
Total	60	79	139	55,220	79,390	134,610

a. Including only arrivals of seagoing ships from foreign ports; excluding arrivals from Cambodian ports.

b. Including a small volume of cargo in transit for Laos and petroleum deliveries upriver to the Cambodian ports of Kompong Cham and Tonle Bet.

Table 3

Cambodia: Cargo Discharged at Sihanoukville and Phnom Penh
by Country of Loading a/
Third Quarter 1968

Metric Tons

<u>Country of Loading</u>	<u>Port of Discharge</u>		
	<u>Sihanoukville</u>	<u>Phnom Penh b/</u>	<u>Total</u>
Communist	<u>7,700</u>		<u>7,700</u>
Communist China	6,800		6,800
USSR	900		900
Free World	<u>47,510</u>	<u>79,390</u>	<u>126,900</u>
Belgium	430		430
France	1,540		1,540
West Germany	100		100
Hong Kong		6,820	6,820
India	18,180		18,180
Indonesia		15,100	15,100
Japan	4,330	9,600	13,930
Netherlands	20		20
Singapore	10,070	8,720	18,790
South Vietnam	1,550	39,150	40,700
Thailand	2,310		2,310
Yugoslavia	260		260
Unidentified Europe	8,110		8,110
Unidentified	600		600
<i>Total</i>	<i>55,220</i>	<i>79,390</i>	<i>134,610</i>

- a. In most cases the country of loading is the same as the country of origin, but in some cases it is the country at which the cargo was off-loaded for transshipment.
b. Including a small volume of cargo in transit for Laos and petroleum deliveries upriver to the Cambodian ports of Kompong Cham and Tonle Bet.

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